

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SENATE BILL 477

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

James G. Taylor

AN ACT

RELATING TO TAXATION; PROVIDING A GROSS RECEIPTS TAX DEDUCTION FOR CERTAIN RECEIPTS OF AIRCRAFT MANUFACTURERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-9-62 NMSA 1978 (being Laws 1969, Chapter 144, Section 52, as amended) is amended to read:

"7-9-62. DEDUCTION--GROSS RECEIPTS TAX--AGRICULTURAL IMPLEMENTS--AIRCRAFT MANUFACTURERS--VEHICLES THAT ARE NOT REQUIRED TO BE REGISTERED.--

A. Except for receipts deductible under Subsection B of this section, fifty percent of the receipts from selling agricultural implements, farm tractors, aircraft or vehicles that are not required to be registered under the Motor Vehicle Code may be deducted from gross receipts; provided that, with respect to agricultural implements, the sale is made to a

.165653.1GR

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 person who states in writing that the person is regularly
2 engaged in the business of farming or ranching. Any deduction
3 allowed under Section 7-9-71 NMSA 1978 must be taken before the
4 deduction allowed by this subsection is computed.

5 B. Receipts of an aircraft manufacturer or
6 affiliate from selling aircraft or aircraft parts or from
7 selling services performed on aircraft or aircraft components
8 or from selling aircraft flight support, pilot training or
9 maintenance training services may be deducted from gross
10 receipts. Any deduction allowed under Section 7-9-71 NMSA 1978
11 must be taken before the deduction allowed by this subsection
12 is computed.

13 C. As used in this section:

14 (1) "affiliate" means a business entity that
15 directly or indirectly through one or more intermediaries
16 controls, is controlled by or is under common control with the
17 aircraft manufacturer;

18 (2) "agricultural implement" means a tool,
19 utensil or instrument that is:

20 [(-)] (a) designed primarily for use
21 with a source of motive power, such as a tractor, in planting,
22 growing, cultivating, harvesting or processing agricultural
23 produce at the place where the produce is grown; in raising
24 poultry or livestock; or in obtaining or processing food or
25 fiber, such as eggs, milk, wool or mohair, from living poultry

.165653.1GR

underscoring material = new
[bracketed material] = delete

1 or livestock at the place where the poultry or livestock are
2 kept for this purpose; and
3 [~~2~~] (b) depreciable for federal income
4 tax purposes; and

5 (3) "flight support" means providing
6 navigation data, charts, weather information, online
7 maintenance records and other aircraft or flight-related
8 information and the software needed to access the information."

9 Section 2. EFFECTIVE DATE.--The effective date of the
10 provisions of this act is July 1, 2007."